

**DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION
STATE OF MISSOURI**

In Re:)	
)	Case No. 09-0430514C
Universal Casualty Company)	

DISMISSAL

1. On June 11, 2009, the Director issued a Statement of Charges, Summary Cease and Desist Order & Order to Show Cause finding that UCC has willfully engaged in and at that time was willfully engaging in acts, practices, or omissions, or courses of business constituting a violation of the laws relating to insurance in Chapters 374 and 375, including §§374.144, 375.445, and 375.1005, RSMo, and that consumers were being aggrieved by the violations.
2. On February 9, 2010, the Director, UCC, and counsel for the Division signed a Consent Order whereby UCC agreed to modify its business practices and pay a civil penalty. In compliance with the Consent Order:
 - a. UCC timely filed documentation of all remedial actions taken by it to implement compliance with the terms of the Consent Order and to reasonably assure that the violations noted in the Statement of Charges, Summary Cease and Desist Order, and Order to Show Cause do not recur, including an explanation of the steps taken by UCC and the results of such actions with the Director within 30 days of the date of the Consent Order. UCC has demonstrated to the Director that it has implemented operational changes

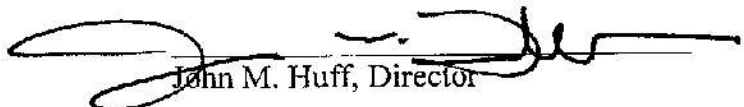
necessary to improve its business practices such that:

- i. UCC shall acknowledge the receipt of notification of claims from first-party claimants within 10 working days of receipt unless payment is made within that period of time, as required by 20 CSR 100.1.030(1) and in compliance with § 375.1007(2), RSMo.
 - ii. UCC shall reply within 10 working days to all communications from any claimant which reasonably suggest a response is expected, as required by 20 CSR 100-1.030(2) and in compliance with §375.1007(2), RSMo.
 - iii. UCC shall attempt in good faith to effectuate prompt, fair, and equitable settlement of all claims submitted in which liability has become reasonably clear. UCC shall adopt and implement reasonable standards for the prompt investigation and settlement of all claims arising out of its policies, in compliance with § 375.1007(3), RSMo.
 - iv. UCC shall not, when investigating claims, rely exclusively upon claimant-provided photographs or police reports without verifying the information contained therein. UCC shall not coerce or compel claimants to provide photographs of damaged vehicles.
- b. UCC has demonstrated to the Director that UCC's claims per adjuster ratio has been and continues to be maintained at or below 180 features per adjuster per month for a three-month period.

- c. UCC has demonstrated to the Director and the Division has confirmed that consumer complaints filed against UCC with the Department have not exceeded and continue to not exceed an average of one per month for any consecutive three-month period. UCC initially met this standard for the three-month period beginning November 1, 2009.
 - d. UCC timely paid \$100,000.00 as a civil penalty for willfully violating the insurance laws of this state, pursuant to §§ 374.046 and 374.049, RSMo. An additional \$100,000.00 civil penalty is suspended so long as UCC continues to abide by the terms set forth in the Consent Order.
3. A material violation of the conditions set forth in the Consent Order shall subject UCC to reimposition of the Summary Cease and Desist Order, the additional \$100,000 civil penalty previously suspended, and further administrative actions pursuant to §§ 374.046, 374.048 and 375.141, RSMo (Supp. 2009).
 4. This Dismissal does not encompass a settlement of the Department Market Conduct Examination (DIFP #0903-13-TGT and NAIC #MO268-M117).

IT IS HEREBY ORDERED, that because UCC has demonstrated compliance with the terms set forth in the Consent Order, the Summary Cease and Desist Order is dismissed, without prejudice, subject to reimposition as set forth above.

SO ORDERED, this 31st day of March, 2010.


John M. Huff, Director


CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing, including all attachments, was sent by mail via the United States Postal Service on this 31st day of March, 2010 to:

Ann Warren & Mark Warren
Inglish & Monaco
Counsel for Universal Casualty Company
237 E. High Street
Jefferson City, Missouri 65102
Telephone: 573-634-2522
Facsimile: 573-634-4526

And by hand delivery to:

Tamara W. Kopp
Senior Enforcement Counsel
Department of Insurance, Financial Institutions
and Professional Registration

A handwritten signature in black ink, appearing to read "Kimberly Sanders", is written over a horizontal line.